

FISCAL NOTE

SB 3860 - HB 3663

February 11, 2008

SUMMARY OF BILL: Requires containers or packages of bottled water manufactured and sold in Tennessee to state whether or not such water has added fluoride. Exempts bottled water not sold for human consumption from labeling requirements. Requires the Department of Agriculture to promulgate rules and regulations.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Not Significant

**Increase State Expenditures - \$45,600/One-Time
\$33,200/Recurring**

Increase Local Revenue – Not Significant

Assumptions:

- All bottled water sold in this state which includes fluoride shall contain on the label a statement similar to the following: NOT SUITABLE FOR BABY FORMULA. CONTAINS ADDED FLOURIDE. If such containers of water do not contain fluoride, the label on such container shall include a statement similar to the following: SUITABLE FOR BABY FORMULA. CONTAINS NO ADDED FLOURIDE.
- According to the Department of Health, this bill will not impact departmental revenue or expenditures.
- According to the Department of Agriculture (DOA), the provisions of this bill would require additional resources for the department.
- Bottled water analysis would be done by random sample.
- According to DOA, specialized equipment would be required to complete the sample analysis. The department indicates the equipment needed is the ACS-2000 System for Anion Analysis in Drinking Water. The one-time cost for such equipment is estimated to be \$45,600. Recurring maintenance cost for the equipment is estimated to be \$3,000 per year.
- One additional Food and Dairy Inspector position for DOA. The recurring increase to state expenditures for the position is estimated to be \$29,200 per year (salary, benefits, travel, supplies, etc.).

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- The recurring increase to purchase sample products is estimated to be \$1,000 per year.
- Any violation of these requirements is considered an unfair or deceptive act or practice affecting trade or commerce and is a Class B misdemeanor offense.
- There will not be a sufficient number of violations for state or local governments to experience any significant increase in revenue resulting from fines or any significant increase in expenditures related to additional fines.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/rnc